

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA

LIGHT OF THE WORLD GOSPEL
MINISTRIES, INC.,

Plaintiff,

v.

VILLAGE OF WALTHILL, NEBRASKA,

Defendant.

Case No. 8:18-cv-312

**INTERPLEADER COMPLAINT AND
REQUEST FOR DECLARATORY
RELIEF**

VILLAGE OF WALTHILL, NEBRASKA,

Interpleader Plaintiff,

v.

LIGHT OF THE WORLD GOSPEL
MINISTRIES, INC., SAUL EWING
ARNSTEIN & LEHR, LLP, LATHROP
GPM, LLP F/K/A GRAY, PLANT,
MOOTY, MOOTY & BENNETTE, P.A.,
CROSSCASTLE, P.A., and FIRST
LIBERTY INSTITUTE,

Interpleader Defendants.

COMES NOW Interpleader Plaintiff Village of Walthill, Nebraska (“the Village”) and states the following as its interpleader complaint and request for declaratory relief against Interpleader Defendants Light of the World Gospel Ministries, Inc., Saul Ewing Arnstein & Lehr, LLP, Lathrop GPM, LLP f/k/a Gray, Plant, Mooty, Mooty & Bennette, P.A., CrossCastle, P.A., and First Liberty Institute, pursuant to Fed. R. Civ. P. 22(b) and 28 U.S.C. § 1335.

PARTIES, JURISDICTION, & VENUE

1. The Village is a municipal corporation located in the State of Nebraska.

2. Plaintiff/Interpleader Defendant Light of the World Gospel Ministries, Inc. (“LOTW”) resides in and is incorporated under the laws of the State of Nebraska and has its principal place of business in the State of Nebraska.

3. Interpleader Defendant Saul Ewing Arnstein & Lehr, LLP is a law firm that previously represented LOTW in the above-captioned matter. Saul Ewing is a limited liability partnership that is a citizen of the State of Pennsylvania.

4. Interpleader Defendant Lathrop GPM, LLP f/k/a Gray, Plant, Mooty, Mooty & Bennette, P.A. is a law firm that previously represented LOTW in the above-captioned matter. Lathrop is a limited liability partnership that is a citizen of the State of Missouri.

5. Interpleader Defendant CrossCastle, P.A. is a law firm that previously represented LOTW in the above-captioned matter. CrossCastle is a corporation organized under the laws of the State of Minnesota and has its principal place of business in the State of Minnesota.

6. Interpleader Defendant First Liberty Institute is a legal organization that currently represents LOTW in the above-captioned matter. First Liberty is a non-profit corporation organized under the laws of the State of Texas and has its principal place of business in the State of Texas.

Jurisdiction under Rule Interpleader

7. The underlying action arises under federal law, including the First and Fourteenth Amendments of the United States Constitution and the Religious Land Use and Institutionalized Persons Act (“RLUIPA”), 42 U.S.C. § 2000cc.

8. In the underlying action Defendant/Plaintiff Interpleader Village of Walthill, Nebraska is a municipality of the State in which the United States District Court of the District of Nebraska is located and the amount in controversy exceeds \$75,000.

Jurisdiction under Statutory Interpleader

9. The value of the settlement proceeds in controversy is more than \$500.
10. At least two Interpleader Defendants are “citizens” of different States as the term is defined by 28 U.S.C. § 1332.
11. At least one Interpleader Defendant, LOTW, resides in the State of Nebraska, which comprises this Court’s judicial district.

FACTUAL BACKGROUND

12. This case involves claims by LOTW against the Village for damages allegedly suffered by LOTW as a result of actions taken by the Village with regard to certain permits. (*See* Am. Complaint, Filing No. 13.)
13. LOTW and the Village reached a settlement (“the Settlement”) in which, among other things, LOTW agrees to dismiss all claims against the Village. The parties submitted a proposed consent decree for the Court to sign and enter. (Filing No. 164.)
14. LOTW employed several law firms in the action. Currently, First Liberty Institute represents LOTW. Previously, Samuel W. Diehl also represented LOTW while affiliated with CrossCastle, P.A., Saul Ewing Arnstein & Lehr, LLP, and Lathrop GPM, LLP f/k/a Gray, Plant, Mooty, Mooty & Bennette, P.A.
15. On December 8, 2020, the Village’s attorneys received a notice of attorney’s lien from Saul Ewing Arnstein & Lehr LLP against any settlement or judgment in this matter.
16. On February 24, 2021, the Village’s attorneys received a notice of attorney’s lien from Lathrop GPM, LLP against any settlement or judgment in this matter.

17. It is the parties' understanding that the amount claimed in attorney's fees and costs by each of these groups of attorneys exceeds the amount of the Settlement between the Village and LOTW.

18. Light of the World, Saul Ewing Arnstein & Lehr, LLP and Lathrop GPM, LLP f/k/a Gray, Plant, Mooty, Mooty & Bennette, P.A., and on information and belief, CrossCastle, P.A. and First Liberty Institute, intend to seek compensation from the Settlement, a single source.

COUNT I – INTERPLEADER & DECLARATORY RELIEF

19. Interpleader Plaintiff incorporates and re-alleges all of the foregoing paragraphs.

20. Interpleader Plaintiff is currently in possession of the settlement proceeds in an amount in excess of \$500.

21. Saul Ewing Arnstein & Lehr, LLP and Lathrop GPM, LLP f/k/a Gray, Plant, Mooty, Mooty & Bennette, P.A., have each notified the Village of their attorney's lien in the present case against any settlement in this matter.

22. On information and belief, CrossCastle, P.A. and First Liberty Institute may also have a claim against the settlement based on CrossCastle's previous representation of LOTW in this matter and First Liberty Institute's representation of LOTW throughout this matter.

23. On information and belief, the claims of the Interpleader Defendants exceed the amount of the confidential settlement proceeds.

24. The Interpleader Defendants' claims to the settlement proceeds may expose the Village to double or multiple liability if they are not resolved by the Court.

25. The Village will deposit the settlement proceeds into the Court's registry so that the Court may dismiss the Village from this action and adjudicate the competing claims to the settlement proceeds.

WHEREFORE, the Village respectfully requests that the Court enjoin Interpleader Defendant Light of the World Gospel Ministries, Inc., from prosecuting any further action against the Village that relates to the settlement proceeds to be deposited in the Court's registry and enjoin Interpleader Defendants Saul Ewing Arnstein & Lehr, LLP and Lathrop GPM, LLP f/k/a Gray, Plant, Mooty, Mooty & Bennette, P.A., CrossCastle, P.A., and First Liberty Institute from prosecuting any future action against the Village that relates to the subject matter of the above-captioned case or the settlement proceeds to be deposited in the Court's registry; that each of the Interpleader Defendants be required to interplead and settle among themselves their rights to the property and that the Village be discharged from all liability; and that the Court grant any further relief as may be just and proper under the circumstances of this case.

DATED this 17th day of November, 2021.

VILLAGE OF WALTHILL, NEBRASKA,
Defendant,

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